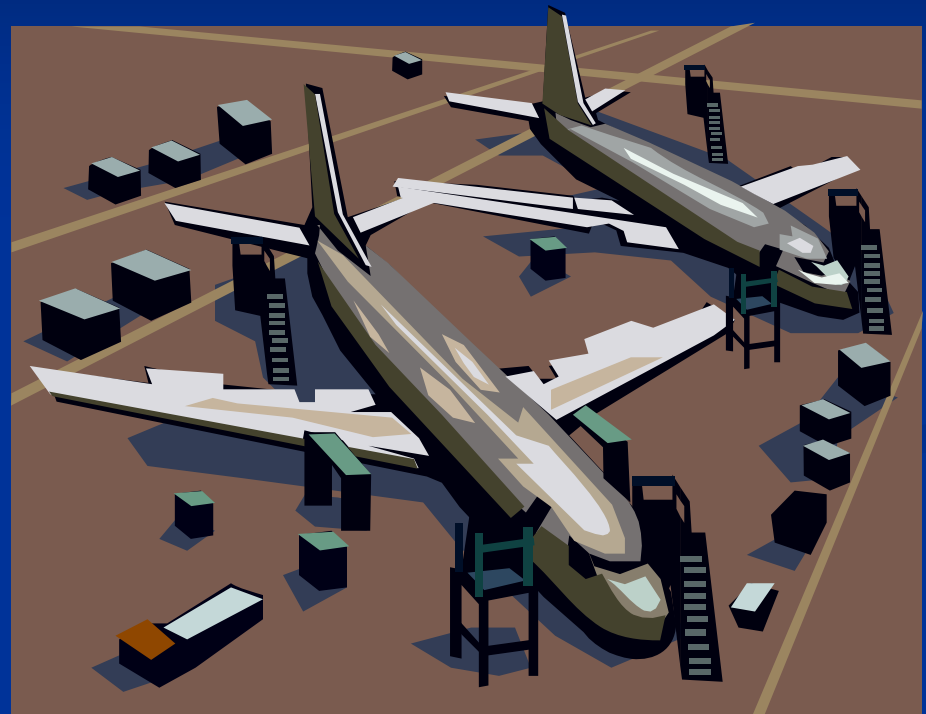


Chapter 2.1

The North American Aviation System

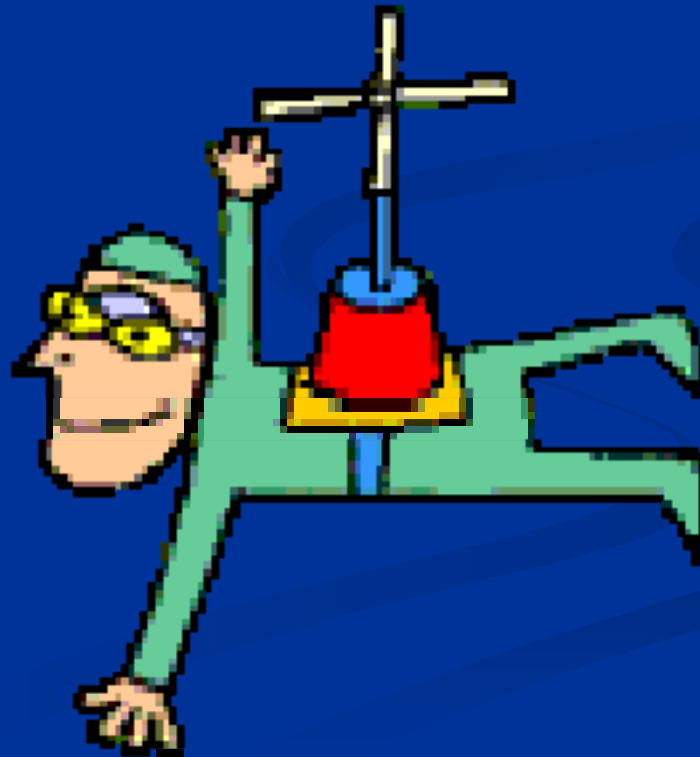
Plane Trips

- In times of peace, approximately 1.9 million people take a plane trip each day.



1920s

- In the 1920s, people felt that flying was a dangerous sport, not a safe means of transportation!



Aviation

- Civil Aviation – Airlines that carry both passengers and cargo, or cargo only
- General Aviation – Corporate jets, private planes, rescue helicopters, and crop dusters
- Military Aviation – The planes and air bases directly controlled by the government for domestic defense

Civil Aviation Terms

- Domestic Carriers
- International Carriers
- Regional Carriers (commuters)
- Supplemental Air Carriers (charters and air taxis)



Define:

- Slots – The time a plane can land, be at a gate, and take off
- Scheduled Service – Flights made over regularly flown routes according to a published timetable
- Nonscheduled Flights – Planes hired to fly to a particular place at a time specified by the customer

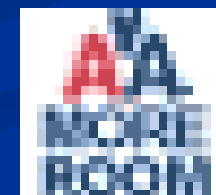
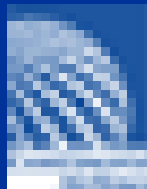
Charter Planes vs. Commercial Flights

- Charter Planes have a safety record comparable to airlines. Charters are often more cost-effective and cheaper. With Charters you can set your own schedules and choose routes.



United States

- In the United States, the airlines are PRIVATELY owned!



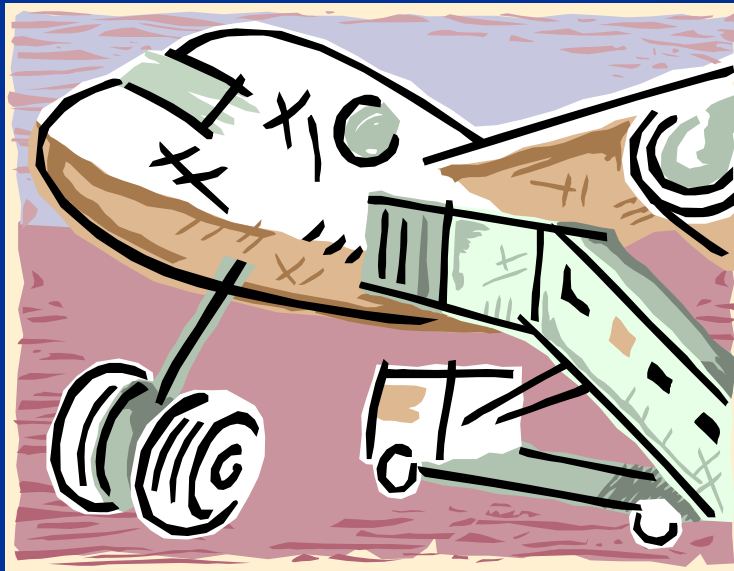
Contract of Common Carriage

- The carrier's obligation to provide transportation as promised and the statement of the limit of liability for loss and damage claim if it does not fulfill its part of the bargain.



Airline Deregulation Act 1978

It was the removal of government control of the airline industry. Airlines could set their own fares and routes. New carriers were allowed to operate.



Define:

- DOT – Department of Transportation
- FAA – Federal Aviation Administration – makes regulations concerning air and airport safety

Factors affecting Flight

- Route Assignment
- Profit Motives



Hub

- Airports in which airlines have centralized their operations



Fortress Hubs

- American – Dallas-Fort Worth
- Delta – Atlanta
- Southwest – Dallas-Love Field
- Continental – Houston
- Northwest – Minneapolis
- United - Chicago

Spokes

- The secondary routes flown by commuter airlines that feed passengers into the hubs.



Airline's Product

- SPACE on PLANE!!!



Load Factor

- The average load factor per plane is 60 to 65 percent.



Marketing Channel

- A group of interrelated individuals or organizations that directs the flow of a supplier's product to consumers



Travel Agency

- At travel agency's peak, they sold 85% of the airlines' product. Agency commissions were the airlines 3rd largest expense. Commissions were cut, and now airlines sell directly to the consumer on the Internet.